While the tendency of modern adjudication is to treat corporations as natural persons, the courts have not recognized that a corporation has a personal character independent of its trade or business. *Trenton, etc., Ins. Co.* v. *Perrine*, 23 N. J. L. 402. A corporation has been refused recovery for an injury to its reputation by a false accusation of corrupt practices. *Mayor, etc., of Manchester* v. *Williams*, [1891] 1 Q. B. 94. But a corporation has a business character, and it is well settled that it may recover for libel without proof of special damage where its business reputation is concerned. *Metropolitan, etc., Co.* v. *Hawkins*, 4 H. & N. 87; *Union Assoc. Press* v. *Heath*, 49 N. Y. App. Div. 249. It has also been held that a corporation cannot maintain an action for slander when the words were spoken of one of its officers, if the slander be not in direct relation to the business of the corporation. *Brayton* v. *Cleveland, etc., Co.*, 63 Oh. St. 83; see 14 HARV. L. REV. 289. But in the present case the defamation does relate to the business of the corporation. Moreover the inference is that the officer's connection with the company still continues. Consequently the article directly concerns the present business reputation of the plaintiff, and the result reached seems correct.

MORTGAGES — FORECLOSURE — MORTGAGOR'S RIGHT TO SURPLUS IN HANDS OF FIRST MORTGAGEE. — After a foreclosure sale the representative of the deceased mortgagor sued the first mortgagee, who had notice of the rights of the second mortgagee, to recover the surplus. *Held*, that the plaintiff may recover. *Noar* v. *Bosse*, Sup. Ct. of Hawaii, June 20, 1907.

The decision is in accord with the existing authorities. *American Mortgage Co.* v. *Inzer*, 98 Ala. 608; *Itasca Investment Co.* v. *Dean*, 84 Minn. 388. Nevertheless it cannot be supported on principle. At common law the second mortgagee becomes entitled to the rights remaining in the mortgagor after making the first mortgage. One of these rights is that of receiving from the first mortgagee any surplus from the sale of the mortgaged premises. *Buttrick* v. *Wentworth*, 88 Mass. 79. It has been held that if the surplus is paid the mortgagor after notice of the claim of the second mortgagee, the person making such payment is still liable to the second mortgagee. *Fuller* v. *Langum*, 37 Minn. 74. Since the mortgagor has assigned his rights to the second mortgagee, it is difficult to see on what grounds he can base his claim against the first mortgagee, who is bound to hold the surplus for the second mortgagee if he has notice of the latter's claim. Furthermore, the surplus is what remains to secure the mortgagor's debt to the second mortgagee. To allow the mortgagor to recover, therefore, is to allow a debtor to recover his security without payment.

PLEDGES — TRANSFER OF POSSESSION — GOODS STORED ON PLEDGOR'S PREMISES. — A warehouse company of New York obtained floor-room in a knitting company's mills in Wisconsin by a nominal lease. The place was used, not as a public storehouse, but solely to store property of the knitting company. The keys of this storage-room were kept by employees of the knitting company, and the articles stored were changed without the warehouse company's knowledge. The storage receipts given for such property were transferred to several parties as security for loans. Upon the bankruptcy of the knitting company, their trustee in bankruptcy took possession of the property represented by the receipts. *Held*, that there is no pledge of the property such as to bind the trustee in bankruptcy. *Security Warehousing Company* v. *Hand*, 206 U. S. 415.

The law concerning the necessity of delivery for a valid pledge is in a somewhat unsettled state. Since bailment is essential to any valid pledge, it is a violation of legal principles to leave the pledgor in control, for the anomalous condition then arises that the same person is both bailor and bailee. See 14 HARV. L. REV. 303. A pledge without sufficient delivery may give the pledgee rights when the question lies solely between pledgor and pledgee. See *Adams* v. *Merchants Nat'l Bank*, 2 Fed. 174. But the rights of other creditors of the pledgor, even as represented by trustees in bankruptcy, should never be prejudiced by enforcing a pledge where the delivery was incomplete.

Young v. *Kimball*, 59 N. H. 446; *contra*, *Macomber* v. *Parker*, 14 Pick. (Mass.) 497. Delivery to third persons as agents of the pledgee is universally held to create a lien for the pledgee; and this rule has been applied even when such agent was the pledgor's employee. *Sumner* v. *Hamlet*, 12 Pick. (Mass.) 76. The principal case properly refused to allow an extension of this doctrine which would permit nominal possession by an employee to be a shield for actual control by the pledgor, enabling him fraudulently to obtain additional credit upon encumbered assets.

POLICE POWER — REGULATION OF BUSINESS AND OCCUPATIONS — PROHIBITION OF NIGHT WORK BY WOMEN IN FACTORIES. — A New York statute provided that no female should be employed or permitted to work in any factory before six o'clock in the morning or after nine o'clock in the evening. *Held*, that the statute is unconstitutional. *People* v. *Williams*, 189 N. Y. 131.

This decision affirms the decision of the lower court, commented upon in 20 HARV. L. REV. 653.

POLICE POWER — REGULATION OF PROPERTY AND USE THEREOF — STATUTE INVALIDATING LICENSE CONTRACTS OF PATENTEES. — Proposed legislation declared criminal and void the sale or rental of tools or machinery on terms which forbade the vendee or lessee to obtain another article for the same operation, or for other steps in the same process, or materials to be used in the process, from any other than the vendor or lessor. *Held*, that the application of such legislation to the sale or rental of patented articles is constitutional. *Opinion of the Justices*, 193 Mass. 604.

The right of a patentee to dictate the terms on which the patented article may be used by a public service company, is subject to state legislation regulating such companies. *State* v. *Bell Tel. Co.*, 36 Oh. St. 296; *contra*, *Am. Rapid Tel. Co.* v. *Conn. Tel. Co.*, 49 Conn. 352. The application of state legislation prohibiting monopolistic contracts to restrictions imposed by a patentee upon his licensee appears to be without precedent, but not unconstitutional as infringing on federal authority. For the secondary monopolies contemplated by the prohibited contracts are not logically incident to the principal monopoly and within the protection of the federal grant. *Contra*, *Heaton-Peninsular, etc., Co.* v. *Eureka, etc., Co.*, 77 Fed. 288. But legislative interference with contracts must be clearly for the public welfare. *Commonwealth* v. *Strauss*, 191 Mass. 545. License-contracts more or less similar to those in question, have been held not to be opposed to public policy, or within the intended scope of federal anti-trust laws. *Bement* v. *Nat'l Harrow Co.*, 186 U. S. 70; *U. S., etc., Co.* v. *Griffin, etc., Co.*, 126 Fed. 364. Moreover, the practical benefit of prohibiting the secondary monopolies would be confined to a few rival manufacturers, since the patentee would still control the price of the principal article. This application of the proposed legislation does not clearly advance the public welfare, and therefore is a doubtful exercise of the police power.

PUBLIC SERVICE COMPANIES — RIGHTS AND DUTIES — EXCLUSIVE CONTRACT. — The defendant, a hotel-keeper, contracted with the plaintiff telephone and telegraph company that it should have an exclusive right to install telephones in the hotel. *Held*, that the contract is void. *Central N. Y. Telephone & Telegraph Co.* v. *Averill*, 105 N. Y. Supp. 378 (Sup. Ct.).

The reasoning of the court is that this contract tends to suppress competition so as to threaten the public welfare. The validity of such contracts is said to be based primarily on public policy. *Gibbs* v. *Consolidated Gas Co.*, 130 U. S. 396. Contracts similar to the one under discussion, when between private individuals who are not competitors, are held valid. *Ferris* v. *American Brewing Co.*, 155 Ind. 539. But where there is any tendency to stifle competition between parties engaged in a public service, they are void. *W. U. Tel. Co.* v. *Am. Union Tel. Co.*, 65 Ga. 160. Telephone and telegraph companies are public institutions, deeply involving the public interest, and consequently